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-and-

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Counsel to the Fee Examiner

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re) Chapter 11
)
SEARS HOLDINGS CORPORATION, <i>et al.</i> , ¹) Case No. 18-23538 (RDD)
)
Debtors.) (Jointly Administered)
)

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

**NOTICE OF FILING OF SUPPLEMENT TO FIRST JOINT APPLICATION
OF PAUL E. HARNER, AS FEE EXAMINER AND BALLARD SPAHR LLP,
AS COUNSEL TO THE FEE EXAMINER FOR INTERIM ALLOWANCE OF
COMPENSATION FOR PROFESSIONAL SERVICES RENDERED AND
REIMBURSEMENT OF ACTUAL AND NECESSARY EXPENSES INCURRED
FROM APRIL 22, 2019 THROUGH JUNE 30, 2019**

PLEASE TAKE NOTICE that on August 14, 2019, Paul E. Harner, as Fee Examiner and Ballard Spahr LLP as counsel to the Fee Examiner, filed the *First Joint Application of Paul E. Harner, as Fee Examiner and Ballard Spahr LLP, as Counsel to the Fee Examiner for Interim Allowance of Compensation for Professional Services Rendered and Reimbursement of Actual and Necessary Expenses Incurred From April 22, 2019 Through June 30, 2019* (ECF No. 4844) (the “Fee Application”).

PLEASE TAKE FURTHER NOTICE that attached hereto as Exhibit 1 are the supplemental documents in support of the Fee Application.

Dated: August 14, 2019

/s/ Chantelle D. McClamb
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Counsel for the Fee Examiner

EXHIBIT 1

In accordance with the U.S. Trustee Guidelines, Ballard Spahr responds to the questions identified therein as follows:

Question 1: Did Ballard Spahr agree to any variations from, or alternatives to, Ballard Spahr's standard or customary billing rates, fees or terms for services pertaining to this engagement that were provided during the Fee Period? If so, please explain.

Answer: No.

Question 2: If the fees sought in the Fee Application as compared to the fees budgeted for the time period covered by the Fee Application are higher by 10% or more, did Ballard Spahr discuss the reasons for the variation with the client?

Answer: The fees sought in the Fee Application do not exceed those budgeted for such time.

Question 3: Have any of the professionals included in the Fee Application varied their hourly rate based on geographic location of the bankruptcy case?

Answer: No.

Question 4: Does the Fee Application include time or fees related to reviewing or revising time records or preparing, reviewing or revising invoices? If so, please quantify by hours and fees.

Answer: The Fee Application includes time for fees related to the preparation of monthly fee statements and invoices for compliance with the U.S. Trustee Guidelines. The total time expended in connection with the fee applications for such matters during the Compensation Period is approximately 0.3 hours included within Task Code B160 and totals \$133.50.

Question 5: Does the Fee Application include time or fees for reviewing time records to redact any privileged or other confidential information? If so, please quantify hours and fees.

Answer: No.

Question 6: Does the Fee Application include any rate increases since Ballard Spahr's retention in these cases? If so, did the client review and approve those rate increases in advance? Did the client agree when retaining the law firm to accept all future rate increases?

Answer: No.

EXHIBIT B

CUSTOMARY AND COMPARABLE COMPENSATION DISCLOSURES

Category of Timekeeper	Number of Timekeepers Expected to Work on the Matter During the Budget Period	Blended Hourly Rate	
		Billed <i>Firm for 2018 Excluding Bankruptcy and Reorganization</i>	Billed in this fee application
Partners ¹	3	\$554.56	\$922.49 ²
Of Counsel & Counsel	0	\$454.20	\$0.00
Senior Associates (7 + years)	2	\$407.60	\$488.74
Midlevel Associates (4-6 years)	3	\$309.02	\$440.22
Junior Associates (1-3 years)	1	\$281.42	\$335.00
Paraprofessionals	4	\$231.60	\$321.77
Aggregated:	13	\$373.07	\$498.40

¹ Ballard Spahr is a single tier firm. It does not have non-equity/income partners. Neither does it define or differentiate between senior and junior partners.

² The differential in this category is due the disproportionate number of hours requiring the participation and expertise of the most senior members of the firm's Bankruptcy and Reorganization Group.

EXHIBIT C

BUDGET

Period	Budget for Fees and Expenses	Actual Fees and Expenses
April 22, 2019 – May 31 2019	\$100,000.00	\$71,236.50
June 1, 2019 – June 30, 2019	\$100,000.00	\$43,308.50
Total	\$200,000.00	\$114,545.00

EXHIBIT D
STAFFING PLAN

Primary Attorneys

Partners

Vincent J. Marriott, III
Tobey M. Daluz
Matthew G. Summers

Associates

Laurel D. Roglen
Chantelle D. McClamb
Michael G. Greenfield
Maya Salah
Chad P. Jimenez
Brian N. Kearney

Paraprofessionals

Kyle Neitzel
Caroline P. Pollard
Christopher Lano
Marisa Maddox